

## REFERENCES

- "The Market of Lemons: Quality Uncertainty and the Market Mechanism" George Akerlof, 1970, *Quarterly Journal of Economics* 84: 488-500
- "Distinguished Lectures on Economics in Government: Central Banking and Systemic Risks in Central Markets," *Journal of Economic Perspective* 3: 3-16
- "Privatization, Information, and Incentives." David E. Sappington, and Joseph E. Stiglitz. 1987 *Journal of Policy Analysis and Management* 6 (4): 567-82
- Annual World Bank Conference on Development Economics, 1996
- World Development Reports 1997, 2000, 2001, *Attacking Poverty*, World Bank
- *Development Economics*, Michael P. Todaro, 2000
- *Management of Change in South Asia*, 1994

# **Organisational Culture In Pakistan**

**(A study of human behaviour)**

**Liaqat Ali**

## **Abstract**

Generally, organizational culture in Pakistan is authoritarian (autocratic). The bosses have a great influence on subordinates. They mind questioning and disagreement. No employee can complaint to higher authority against the attitude of his immediate boss. If any employee does so then he would suffer later on for doing so. As a result subordinates are very submissive. Overall the organizational culture in Pakistan is high-power distance, high-uncertainty avoiding, highly submissive towards bosses, strict adherence to procedures and policies and quantity assurance instead of quality assurance.

**Keywords:** Authoritarian, Democracy, High-power distance, High-uncertainty avoiding, submissive, Low-power distance, Behaviour, Superior, Subordinate, Adherence to procedures and policies and quantity assurance.

## **1.0 Introduction**

This article describes organizational culture in Pakistan. This study of organizational culture in Pakistan is based on the physical search of employees' behaviour (through questionnaire-based survey and interviews) in a big organization (a commercial bank). It also includes a little comparison of its organizational culture with its organizational culture in abroad branches. In order to ascertain the "organisational culture" profile of a big organisation, this bank was selected, as it is one of the biggest banks in Pakistan, having 1447 branches throughout Pakistan and 27 branches outside Pakistan, 7 of which are in a European country. In the European country branches, the senior staff is seconded from Pakistan and the rest of the staff is employed from that country. There are two types of conditions of employment: one for Pakistani staff and a separate one for local staff. This bank was specially selected because of its availability to the researcher and its cultural richness. Due to its cultural richness, selecting this organisation has provided an opportunity to study two types of cultures (that is, Pakistani and abroad cultures) in a single organisation.

One hundred branches of the bank were included in the study to ascertain the organizational culture of the said organization. The name of the organization (bank) is disguised to keep the secrecy of the organization. Hence a fictitious name (XYZ organisation) is used in the rest of the article. The name of the foreign country is also concealed to keep the secrecy of the foreign branches. This research shows that the organizational culture in Pakistan is autocratic, high-power distance, high-uncertainty avoiding, submissive, quantity assurance instead of quality assurance

and strict adherence to procedures and policies. A general discussion regarding XYZ's organisational culture with reference to the religion of the majority of the people of Pakistan (Islam) is also part of this article. The structure of the article is as follows. Section 2.0 provides general discussion regarding organizational culture in Pakistan. Summary and concluding remarks are given in the Section 3.0.

## **2.0 General Discussion Regarding Organisational Culture in Pakistan**

In Pakistan generally managers' (bosses) behaviour towards subordinates is authoritarian. Pakistan was a part of the Indian Subcontinent, before 1947 and was ruled by the British for a long period of time. The dominance of the managers may lie in the historical development of modern organisations in the Subcontinent. It seems that Pakistani managers have taken this behaviour from their majestic rulers. Hofstede (1980, p.129) states that "modern organisations in colonial countries were set up by the colonial rulers. Even rulers like the British, who practised democracy and lower-power distance society at home, did not practice equality between themselves and the colonial populations". The persistence of this behaviour with subordinates in the Subcontinent by the British can be seen in the following remarks of a manager in an English firm (Myers, 1960, p.169): "Ten years ago when I was first coming out to India, an old Indian hand got me aside and told me, 'now just forget about these ideas of leadership you have been learning here in Britain. Out there if the workers don't follow instructions, belt them. That will bring them around'". In the Subcontinent the places of the colonial administrators were taken by local managers who adopted

the existing management style (Kakar, 1971). The impact of this behaviour of managers in the Subcontinent can be seen from the following quote of Negandhi and Prasad (1971, p.128) "what is important for me and my organisation is not what I do or achieve for the organisation, but whether the Master's (manager's) favour is bestowed on me. This I have achieved by saying "yes" to everything the Master says or does". It seems that the religion of the majority of the people of Pakistan (Islam) has no impact on the working behaviour of people in organisations. Islam promotes very polite behaviour toward others (Quran: Surah Nisa, Chapter 4, Verse 36). In Islam there is no superior and subordinate concept: all are equal (Abdalati, 1975; Hamid, 1997).

The behaviour of managers with customers varies according to financial position and relations with the customers. Again this is a concept that can be traced back to the tendencies of managers from the period of British rule in India, where wealthy persons had more status than non wealthy persons. For example, wealthy persons were appointed as "Numberdars" (official representatives of government and hence, more respectable persons than others) by the British government, whereas in Islam there is no such concept of more or less important persons on the basis of their wealth. In Islam, a person's status is determined by his or her piety (Quran: Surah Al-Hujrat, Chapter 49, Verse 13; An-Nawawi (1989), Riyadh-us-Saleheen: Chapter 6, Verse, 69). A pious person in Islam is one who is completely religious and has a greater fear of God (Abdalati, 1975).

The root cause of strict adherence to the procedures and policies of the XYZ organisation has a link with the colonial rulers of the Subcontinent. The Subcontinent organisations are so influenced by the British models that organisational structures, administrative procedures and work methods are

all faithful copies of the original British models (Kakar, 1971).

The behaviour of subordinate staff to customers varies according to the financial position of the customers. In corporate branches the behaviour of staff to customers is different from that in ordinary branches. It is the policy of the bank to provide polite, efficient and personalised services at corporate branches to attract wealthy customers. The behaviour of staff at ordinary branches is not so polite and efficient. The behaviour of staff, however, is different in the abroad branches from that in the Pakistani branches. All the subordinates in the abroad branches are from abroad and have therefore been brought up in an environment where all human beings are treated equally, so they behave politely with all customers. Another context is that each employee will suffer later on for a complaint against his or her manager. If an employee took a complaint to a person higher than his or her own boss, then he or she would suffer later on for doing so. Again this indicates the autocratic behaviour of managers which was discussed earlier in this section. Due to the autocratic behaviour of managers, subordinates in Pakistan are more submissive than in the abroad branches. Pakistan is a high-power distance country. In high-power distance countries, subordinates learn that it can be dangerous to question a decision of the manager (Mulder, 1977). They learn to behave submissively. They do not learn to question the manager. In Pakistan people depend more on their jobs because no financial support is available from the government in case of becoming unemployed. Hence, employees are very submissive to managers in Pakistan. Therefore, they do not want to annoy their managers by disagreeing and losing the opportunity for special increments or promotion on the recommendation of the managers in their annual confidential report. The less



submissive behaviour of subordinates in the abroad branches relates to local culture. Abroad, however, people depend less on jobs, as, if they become unemployed, they are entitled to receive unemployment benefit. Hence, they may be less submissive compared to the ones in Pakistan. It shows that the culture of the abroad branches is a mixture of Pakistan and local cultures.

The biggest outside intervening condition in XYZ organisation is paternalism. The domestic system is dominant in Pakistani culture where paternalism, a value fundamental to the Pakistani domestic system, emphasises the superiority of the parent over the child and the care by the parent. The same national culture is present in the XYZ organisation in the shape of paternalistic behaviour by managers. This has a link with religion (Islam) where the head of the family (male member) is responsible and liable for the needs of, and for looking after, the rest of the family (An-Nawawi (1989), *Riyadh-us-Saleheen*: Chapter 36, Verse 120), but in Islam this concept has a different implication compared to paternalistic behaviour in the domestic system of Pakistan. In Islam paternalism is a symbol of love, affection and kindness (An-Nawawi (1989), *Riyadh-us-Saleheen*: Chapter 40 Verse, 313). In Islam everyone can question or disagree with any person or even with the head of the state without any consequences (An-Nawawi (1989), *Riyadh-us-Saleheen*: Chapter 66, Verse 6). However, the paternalistic behaviour of managers is authoritarian. Managers do not like questioning or disagreement. This paternalistic behaviour of managers can also be traced back to before the partition of the Subcontinent when paternalistic forms of authority relations were a dominant structure in the Indian context (Kakar, 1971). In paternalistic behaviour, the basic resource stems from paternal authority and rules of

paternalism, or the authoritative superior tend to govern social and organisational activity (Jain and Dwivedi, 1990).

In Pakistan, the social set up is such where the male member of the family is responsible and liable for the earnings of the family. One member is earning and the rest of the family is dependent on him. It has some link with the religion (Islam). In Islam also, males are responsible for earning (Quran: Surah Al-Nisa, Chapter 4, Verse 34; Abdalati, 1975) and females are responsible for housekeeping and looking after the children. The females cannot go out for work unless it is essential for their living (for example, when there is no male member for earning) (Quran: Surah Al-Noor, Chapter 24). Hence, the earning member has a great responsibility for continuity of earning. This is the reason that employees want to avoid uncertainty and secure future stability.

Bribery or personal relations are prevalent because of the rewards system that are few and rigid. Those who are close to the managers are bestowed with all kinds of favours (Walsham and Sahay, 1997). It also has a link with the domestic system in Pakistan. Employees want to achieve more, by hook or by crook, for the living of their families.

The above discussion shows that religion (Islam) has least impact on the working behaviour of the people in Pakistan. The working behaviour of people is greatly influenced from the colonial and domestic system in Pakistan. Whereas, it appears that the working behaviour of subordinates in the abroad branches is greatly influenced by the national culture of the country.



### **3.0 Summary and Conclusion**

This article provides an in-depth study and discussion on organisational culture in Pakistan. The organisational culture in an organisation (XYZ) in Pakistan as perceived by its employees is autocratic. Managers' influence is high due to their position in the organisation. They do not like questioning and disagreement. If an employee took a complaint to a person higher than his or her own boss, he or she would suffer later on for doing so. Hence, subordinates are very submissive and fear to disagree with managers. The importance of a customer/client in the XYZ organisation is due to his or her financial position. There is strict adherence to the procedures and policies of the organisation. The rewards in the XYZ organisation are few and rigid. This is a case of why bribery and personal relations take place. However, XYZ's organisational culture in the abroad branches is slightly different to XYZ's organisational culture in Pakistan. In the abroad branches, it is: low-power distance, low-uncertainty avoiding, more importance of customers, less submissive towards managers, and quality assurance.

#### 4.0 References

- ABDALATI, H. (1975). **Islam in Focus**. American Trust Publications, Slough, Free Islamic Book Service.
- AN-NAWAWAI, I. A. Z. Y. B. S. (1989). **Riyadh-Us Saleheen**. Translated by Abbasi, S. M. M., Riyadh International Islamic Publishing House.
- HAMID, A. A. DR. (1997). The Equality of Mankind. **The Straight Path**, Monthly, May, Vol. 16, No. 5, Birmingham, pp. 11-12.
- HOFSTEDE, G. (1980). **Culture's Consequences: International Differences in Work-Related Values**. London, SAGE Publications.
- JAIN, R. B. AND DWIVEDI, O. P. (1990). Administrative Culture and Bureaucratic values in India. **Indian Journal of Public Administrative**, Vol. 36, No. 3, pp. 435-450.
- KAKAR, S. (1971). Authority Patterns and Subordinate Behaviour in Indian Organisations. **Administrative Science Quarterly**, Vol. 16, pp. 298-307.
- MULDER, M. (1977). **The Daily Power Game**. Leiden Netherland, Martinus Nijhoff.
- MYERS, C. A. (1960). **Industrial Relations in India**, Bombay. Asia Publishing House.

- NEGANDHI, A. R. AND PRASAD, S. B. (1971). **Comparative Management**. New York, Appleton-Century-Crofts.
- QURAN (See any English Translation, Such as King Fahd Ibn Abdul Aziz Al-Saud, King of the Kingdom of Saudi Arabia's English Translation).
- WALSHAM, G. AND SAHAY, S. (1996). GIS for District-level Administration in India: Problems and Opportunities. **Working Paper**, Lancaster University, Lancaster, SM 02/96.